98-85

No. 1568/68

1632

CENTRAL INTELLIGENCE AGENCY 28 August 1968

MEMORANDUM:

SUBJECT

Possibilities for Accommodation between

the US and France

General

1. If events of recent months have persuaded the French Government to reappraise its policies toward the US, there are a number of ways in which Washington could accommodate Paris, particularly in economic, scientific, technical and financial matters. In some of these fields, France and the US have encountered or are encountering policy confrontations. In others, Washington could, if it wanted, make a constructive contribution to solving some of the problems France is facing. France will not be able to contribute as much to the US, primarily because the US is more advanced than the French in a number of crucial areas.

2. In the political arena, there is not a great deal which can be accomplished so long as Paris and Washington have differing conceptions both of world issues and of the roles each should play in international affairs. It is hardly helpful, for example, to point out that France would like the US to get out of Vietnam or that the US would like France to rejoin the military organization of NATO. But it is possible for both nations, without changing their views on basic issues, to be more accommodating. A demonstrated willingness on Paris' part to consult and exchange information on matters of importance to both

Note: This memorandum was produced solely by CIA. It was prepared jointly by offices of the Directorate of Intelligence and the Directorate of Science and Technology.

countries would be welcome. Moreover, Washington could recognize that consultations "after the fact," as in the Cuban missile crisis, only convince France that it is regarded by the US as a second-class ally.

French Policy Changes Desired by or Useful to the US

3. Political:

- -- Deserters from US Armed Forces: agree to allied legislation on deserters; refuse to grant "political asylum" to deserters; permit easier access to deserters by US diplomatic personnel.
- -- State-controlled radio-TV service: control and reduce the amount of anti-American propaganda; agree to a wider dissemination of news about the US.
- -- Disarmament: indicate a willingness to participate, even if only in observer status, in disarmament sessions such as those of the ENDC; sign the Non-Proliferation Treaty.
- -- Public statements by government officials: control and reduce the volume of anti-American statements.
- -- UN: indicate a willingness to consult more closely on matters of mutual interest; make a voluntary contribution to cover past debts incurred in peacekeeping operations; take a more cooperative attitude toward peacekeeping operations; stop lobbying with Africans on the Chinese representation issue.
- NATO: demonstrate a willingness to negotiate NATO's relocation claims against France and also bilateral US claims against France; cooperate more fully with the NATO military command; increase the number of permissible overflights of French territory by US and allied aircraft; agree to negotiate prior arrangements for wartime use of the US pipeline and telecommunication facilities.

- 4. Economic and Fiscal Policies:
- Private Investment: encourage US investment in France, with US firms using funds obtained by borrowing outside the US. Such investments would be made, if the French showed a warm welcome to US capital. Investments of this type would help the French economy and the US balance of payments. If capital funds are raised by US firms in the Eurobond market, they would substitute for capital outflows from the US and at the same time provide additional market demand for dollar funds which otherwise would end up as official claims against the US. Moreover, regardless of the source of the funds, they would materially aid the French balance of payments.
- -- Monetary reform: French participation in the plan for Special Drawing Rights.
- -- Color television: support the international adoption of a standard color TV system designed along the lines of the US/West German systems.
- 5. Military and Space Programs:
- -- Kerguelen Islands: enter agreement for establishment of National Geodetic Satellite Program station on the Kerguelens.
- -- Atomic energy information: provide information on fast reactor development and in particular design and related information on the Phenix Fast Reactor prototype.
- Information on Soviet scientific and technical activities: as a result of French-Soviet scientific and technical exchanges, France could give information on: (a) the Soviet man-in-the-sea program, including research and development on deep submergence research vessels, life support systems, marine biology and bioacoustics; (b) Soviet across-the-board space activities, including mission

objectives, program schedules, research and development on satellites (communications, weather, navigational, etc.), boosters and tracking facilities.

US Policy Changes Desired by or Useful to France

6. Political:

- -- Europe: exhibit a greater willingness to let Europe act independently; consult more fully with France and the rest of Europe on key issues.
- -- Former French colonies: make it clear that the US will not attempt to usurp the French role in geographic areas of particular concern to Paris, such as the former African territories, or in the training and equipping of military, security, police and gendarmerie forces in their areas.
- -- Consultations: include France in big-power consultations, if feasible, particularly in areas where France has special interests such as Southeast Asia and the Middle East.
- -- Military service: take administrative action to see that Frenchmen who have served the required amount of time in the French army (16 months) are not drafted by the US after entering this country (to be exempt from service in the US Armed Forces, foreigners must have served 18 months in another country's armed forces).

7. Economic and fiscal policies:

-- Franc: give a full and unreserved commitment to support the French franc, perhaps in the form of a large, new credit line.

- -- Countervailing duties: rescind the countervailing duties against subsidized French exports.
- Exchanges: promote an exchange of transportation and marketing experts to aid France in mastering the techniques of "consumer product engineering" and mass distribution; promote exchanges in the field of business education, particularly at the graduate level.
- -- Monetary reform: indicate willingness to discuss broad reform of the international monetary system, with particular attention to the valuation of gold and the use of the dollar as a reserve currency.
- -- Chemicals: repeal the American selling price on chemicals.
- -- Trade regulations: revise anti-dumping legislation and customs regulations.
- -- Agriculture: revise some of the regulations which limit the market for French agriculture products in the US.
- -- Patents and Licenses: facilitate patents procedures and the commercialization of licenses.
- 8. Military and space programs:
- -- Communications Satellites: provide certain technology for communications satellites, such as traveling wave-tube technology, to be used in the French-German communications satellite Symphonie; provide assistance in the launch vehicle for Symphonie and perhaps even offer to sell a launch vehicle to the French and put up the satellite from Cape Kennedy.
- -- French Guiana Space Center: agreement by NASA to establish a launch pad there.

- -- Diamant B launch vehicle: offer to purchase some of the Diamant B launch vehicles (unit cost has risen and the ELDO program may be endangered unless the overall cost can be reduced).
- -- Atlantique ASW aircraft: agreement to timely delivery of promised electronic equipment for aircraft (The US recently has balked at providing the necessary equipment because it is involved in a competition between the Atlantique and a better and cheaper US ASW aircraft).
- -- Mirage G aircraft: The French are interested in whether the US would want to procure for its own use through a licensing arrangement, or actively influence other NATO countries to procure, a tactical version of the Mirage G variable geometry prototype equipped with a Pratt and Whitney engine.
- -- European A-300 Airbus: give badly needed technical advice, financial assistance and management techniques to the airbus project; or permit France to join with a US aircraft firm in a joint airbus effort.
- -- Sales involving US equipment: give approval for sales of aircraft and other products which include US origin equipment, such as the projected sale by Sud Aviation of Caravelles to South Africa.

9. Scientific and Technical:

-- Atomic energy: renew the bilateral agreement between the US and France in the field of atomic energy; AEC agreement to permit access by French personnel to certain weapons labs and facilities accessible to other free world personnel: AEC agreement to release to French scientists certain unpublished and unclassified studies which evolve from weapons-related research and development.

- -- Computers: acquisition of large US militaryrelated computers, e.g. CDC 6800, 6600, IBM 360, 85's; elimination of the need for French assurances that computers will not be used for nuclear weapons development.
- -- Other advanced weapons: release of technology on certain rocket fuels and rocket guidance meters.
- -- Communications: release of technology on US communications advances, including TV color tubes and pulse code modulation transmission systems.
- -- Scientific satellites: release of information on US scientific satellites including details of experiments aboard the spacecraft.
- -- Man-in-the-Sea Program: release of information on man-in-the-sea research and development including sea lab characteristics and operations, ocean sciences, as well as technology concerning deep sea rescue and salvage equipment and operations.